

## **EXHIBIT 2**

# Diamond tycoon Beny Steinmetz detained in fraud inquiry

 [www.theguardian.com/world/2017/aug/14/israeli-diamond-tycoon-beny-steinmetz-arrested-fraud-investigation](http://www.theguardian.com/world/2017/aug/14/israeli-diamond-tycoon-beny-steinmetz-arrested-fraud-investigation)

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One of the world's wealthiest men has been detained after appearing in court in Israel during a police investigation into allegations of fraud, forgery and money laundering.

Beny Steinmetz was remanded for four days after being detained and questioned along with five other prominent businessmen who are also under investigation.

The diamond miner [was detained last December](#) and placed under house arrest while police investigated allegations that he had arranged for bribes to be paid so that his company, Beny Steinmetz Group Resources (BSGR), could [secure half the rights to a lucrative iron ore deposit](#) in the west African country of Guinea.

The latest police investigation is understood to concern allegations that contracts were forged in order to move and launder money.

Appearing in court in the city of Rishon LeZion, Steinmetz complained that he was the victim of a "political war" that he claimed was being financed by the investor and philanthropist George Soros.

Steinmetz was remanded in custody after the senior investigating officer, Avshalom Ahrak, told the court that police feared the tycoon would interfere with their investigation if he was released.

A spokesman for BSGR had no comment to make.

The other suspects include David Granot, the chief executive of the Israeli telecoms corporation Bezeq, and Tal Silberstein, a former consultant to the former Israeli premier Ehud Barak and to the Austrian chancellor, Christian Kern.

When arrested last December, Steinmetz was placed under house arrest while police investigated allegations that he had arranged for bribes to be paid so that BSGR could secure half the rights to a the iron ore deposit in Guinea.

Steinmetz was also obliged to surrender his Israeli and French passports, and he was told that he could not leave Israel for 180 days.

The deal has been under investigation in the US, Switzerland and Guinea, as well as Israel.

Steinmetz and BSGR claim to have won the right to extract iron ore in Guinea in return for a pledge to invest \$165m (£127m) in an exploration programme in the Simandou region of the country in 2008. The company announced 18 months later that it had sold half its stake for \$2.5bn.

Israeli authorities investigated the claim that Steinmetz, along with a number of other Israelis, acquired the asset by paying tens of millions of dollars in bribes to senior public officials in Guinea. Steinmetz and BSGR deny the allegation, which they say concerns an "obsolete" matter.

On Monday, Israeli police issued a statement that said those detained were suspected of having "acted together and methodically with the prime suspect in order to create and present fictitious contracts and deals ... on a foreign country in order to transfer funds and launder money".